H-0987.2				

HOUSE BILL 1855

State of Washington 62nd Legislature 2011 Regular Session

By Representatives Asay, Alexander, Warnick, Ross, Short, Smith, McCune, Kristiansen, Angel, Schmick, Fagan, Johnson, Buys, and Zeiger

Read first time 02/07/11. Referred to Committee on Local Government.

- 1 AN ACT Relating to state mandates on political subdivisions of the
- 2 state; amending RCW 35.22.620, 36.27.020, 36.34.010, 39.44.210,
- 3 84.14.100, and 84.40.175; creating a new section; and repealing RCW
- 4 36.32.210 and 43.19.691.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** The legislature intends to relieve cities
- 7 and counties of certain requirements imposed by the state by revising
- 8 these duties or making the duties optional rather than mandatory.
- 9 **Sec. 2.** RCW 35.22.620 and 2009 c 229 s 3 are each amended to read
- 10 as follows:
- 11 CITIES: PUBLIC WORKS REPORTING TO STATE AUDITOR. (1) As used in
- 12 this section, the term "public works" means as defined in RCW
- 13 39.04.010.
- 14 (2) A first-class city may have public works performed by contract
- 15 pursuant to public notice and call for competitive bids. As limited by
- 16 subsection (3) of this section, a first-class city may have public
- 17 works performed by city employees in any annual or biennial budget
- 18 period equal to a dollar value not exceeding ten percent of the public

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works construction budget, including any amount in a supplemental public works construction budget, over the budget period. The amount of public works that a first-class city has a county perform for it under RCW 35.77.020 shall be included within this ten percent limitation.

If a first-class city has public works performed by public employees in any budget period that are in excess of this ten percent limitation, the amount in excess of the permitted amount shall be reduced from the otherwise permitted amount of public works that may be performed by public employees for that city in its next budget period. Twenty percent of the motor vehicle fuel tax distributions to that city shall be withheld if two years after the year in which the excess amount of work occurred, the city has failed to so reduce the amount of public works that it has performed by public employees. The amount so withheld shall be distributed to the city when it has demonstrated in its reports to the state auditor that the amount of public works it has performed by public employees has been so reduced.

Whenever a first-class city has had public works performed in any budget period up to the maximum permitted amount for that budget period, all remaining public works within that budget period shall be done by contract pursuant to public notice and call for competitive bids.

The state auditor shall report to the state treasurer any first-class city that exceeds this amount and the extent to which the city has or has not reduced the amount of public works it has performed by public employees in subsequent years.

(3) In addition to the percentage limitation provided in subsection (2) of this section, a first-class city shall not have public employees perform a public works project in excess of ninety thousand dollars if more than a single craft or trade is involved with the public works project, or a public works project in excess of forty-five thousand dollars if only a single craft or trade is involved with the public works project or the public works project is street signalization or street lighting. A public works project means a complete project. The restrictions in this subsection do not permit the division of the project into units of work or classes of work to avoid the restriction on work that may be performed by day labor on a single project.

(4) In addition to the accounting and record-keeping requirements contained in RCW 39.04.070, every first-class city annually ((shall)) may prepare a report for the state auditor indicating the total public works construction budget and supplemental public works construction budget for that year, the total construction costs of public works performed by public employees for that year, and the amount of public works that is performed by public employees above or below ten percent of the total construction budget. However, if a city budgets on a biennial basis, this annual report ((shall)) may indicate the amount of public works that is performed by public employees within the current biennial period that is above or below ten percent of the total biennial construction budget.

Each first-class city with a population of one hundred fifty thousand or less ((shall)) may use the form required by RCW 43.09.205 to account and record costs of public works in excess of five thousand dollars that are not let by contract.

- (5) The cost of a separate public works project shall be the costs of materials, supplies, equipment, and labor on the construction of that project. The value of the public works budget shall be the value of all the separate public works projects within the budget.
- (6) The competitive bidding requirements of this section may be waived by the city legislative authority pursuant to RCW 39.04.280 if an exemption contained within that section applies to the work or contract.
- (7) In lieu of the procedures of subsections (2) and (6) of this section, a first-class city may let contracts using the small works roster process in RCW 39.04.155.

Whenever possible, the city shall invite at least one proposal from a minority or woman contractor who shall otherwise qualify under this section.

- (8) The allocation of public works projects to be performed by city employees shall not be subject to a collective bargaining agreement.
- (9) This section does not apply to performance-based contracts, as defined in RCW 39.35A.020(4), that are negotiated under chapter 39.35A RCW.
- 36 (10) Nothing in this section shall prohibit any first-class city 37 from allowing for preferential purchase of products made from recycled 38 materials or products that may be recycled or reused.

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COUNTIES: REPORT FROM PROSECUTORS TO GOVERNOR AND LIQUOR CONTROL BOARD. The prosecuting attorney shall:

- (1) Be legal adviser of the legislative authority, giving ((them {it})) it his or her written opinion when required by the legislative authority or the chairperson thereof touching any subject which the legislative authority may be called or required to act upon relating to the management of county affairs;
- (2) Be legal adviser to all county and precinct officers and school directors in all matters relating to their official business, and when required draw up all instruments of an official nature for the use of said officers;
- (3) Appear for and represent the state, county, and all school districts subject to the supervisory control and direction of the attorney general in all criminal and civil proceedings in which the state or the county or any school district in the county may be a party;
- (4) Prosecute all criminal and civil actions in which the state or the county may be a party, defend all suits brought against the state or the county, and prosecute actions upon forfeited recognizances and bonds and actions for the recovery of debts, fines, penalties, and forfeitures accruing to the state or the county;
- (5) Attend and appear before and give advice to the grand jury when cases are presented to it for consideration and draw all indictments when required by the grand jury;
- (6) Institute and prosecute proceedings before magistrates for the arrest of persons charged with or reasonably suspected of felonies when the prosecuting attorney has information that any such offense has been committed and the prosecuting attorney shall for that purpose attend when required by them if the prosecuting attorney is not then in attendance upon the superior court;
- (7) Carefully tax all cost bills in criminal cases and take care that no useless witness fees are taxed as part of the costs and that the officers authorized to execute process tax no other or greater fees than the fees allowed by law;
- 37 (8) Receive all cost bills in criminal cases before district judges 38 at the trial of which the prosecuting attorney was not present, before

they are lodged with the legislative authority for payment, whereupon the prosecuting attorney may retax the same and the prosecuting attorney must do so if the legislative authority deems any bill exorbitant or improperly taxed;

- (9) Present all violations of the election laws which may come to the prosecuting attorney's knowledge to the special consideration of the proper jury;
- (10) Examine once in each year the official bonds of all county and precinct officers and report to the legislative authority any defect in the bonds of any such officer;
- (11) ((Make an annual report to the governor as of the 31st of December of each year setting forth the amount and nature of business transacted by the prosecuting attorney in that year with such other statements and suggestions as the prosecuting attorney may deem useful;
- (12) Send to the state liquor control board at the end of each year a written report of all prosecutions brought under the state liquor laws in the county during the preceding year, showing in each case, the date of trial, name of accused, nature of charges, disposition of case, and the name of the judge presiding;
- (13))) Seek to reform and improve the administration of criminal justice and stimulate efforts to remedy inadequacies or injustice in substantive or procedural law.
- **Sec. 4.** RCW 36.34.010 and 1963 c 4 s 36.34.010 are each amended to 24 read as follows:
 - COUNTIES: SURPLUS PROPERTY VALUED AT LESS THAN FIVE HUNDRED DOLLARS. Whenever it appears to the board of county commissioners that it is for the best interests of the county and the taxing districts and the people thereof that any part or parcel, or portion of such part or parcel, of property, whether real, personal, or mixed, belonging to the county, including tax title land, should be sold, the board shall sell and convey such property, under the limitations and restrictions and in the manner hereinafter provided.
- The provisions of this chapter do not apply to county surplus property valued at less than five hundred dollars. County surplus property valued at less than five hundred dollars may be disposed of or recycled.

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In making such sales the board of county commissioners may sell any timber, mineral, or other resources on any land owned by the county separate and apart from the land in the same manner and upon the same terms and conditions as provided in this chapter for the sale of real property.

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The board of county commissioners may reserve mineral rights in such land and, if such reservation is made, any conveyance of the land shall contain the following reservation:

"The party of the first part hereby expressly saves, excepts, and reserves out of the grant hereby made, unto itself, its successors, and assigns, forever, all oils, gases, coals, ores, minerals, gravel, timber, and fossils of every name, kind, or description, and which may be in or upon said lands above described; or any part thereof, and the right to explore the same for such oils, gases, coals, ores, minerals, gravel, timber and fossils; and it also hereby expressly saves and reserves out of the grant hereby made, unto itself, its successors, and assigns, forever, the right to enter by itself, its agents, attorneys, and servants upon said lands, or any part or parts thereof, at any and all times, for the purpose of opening, developing, and working mines thereon, and taking out and removing therefrom all such oils, gases, coal, ores, minerals, gravel, timber, and fossils, and to that end it further expressly reserves out of the grant hereby made, unto itself, its successors, and assigns, forever, the right by it or its agents, servants, and attorneys at any and all times to erect, construct, maintain, and use all such buildings, machinery, roads and railroads, sink such shafts, remove such oil, and to remain on said lands or any part thereof, for the business of mining and to occupy as much of said lands as may be necessary or convenient for the successful prosecution of such mining business, hereby expressly reserving to itself, its successors, and assigns, as aforesaid, generally, all rights and powers in, to, and over said land, whether herein expressed or not, reasonably necessary or convenient to render beneficial and efficient the complete enjoyment of the property and the rights hereby expressly reserved."

No rights shall be exercised under the foregoing reservation until provision has been made to pay to the owner of the land upon which the rights reserved are sought to be exercised, full payment for all damages sustained by reason of entering upon the land: PROVIDED, That if the owner for any cause refuses or neglects to settle the damages,

the county, its successors, or assigns, or any applicant for a lease or contract from the county for the purpose of prospecting for or mining valuable minerals, or operation contract, or lease, for mining coal, or lease for extracting petroleum or natural gas, shall have the right to institute such legal proceedings in the superior court of the county wherein the land is situated, as may be necessary to determine the damages which the owner of the land may suffer. Any of the reserved minerals or other resources not exceeding two hundred dollars in value may be sold, when the board deems it advisable, either with or without publication of notice of sale, and in such manner as the board may determine will be most beneficial to the county.

Sec. 5. RCW 39.44.210 and 1995 c 399 s 54 are each amended to read 13 as follows:

LOCAL GOVERNMENTS: REPORT TO DEPARTMENT OF COMMERCE ON BONDS. For each state or local government bond issued, the underwriter of the issue shall supply the department of ((community, trade, and economic development)) commerce with information on the bond issue within twenty days of its issuance. In cases where the issuer of the bond makes a direct or private sale to a purchaser without benefit of an underwriter, the issuer shall supply the required information. The bond issue information shall be provided on a form prescribed by the department of ((community, trade, and economic development)) commerce and shall include but is not limited to: (1) The par value of the bond issue; (2) the effective interest rates; (3) a schedule of maturities; (4) the purposes of the bond issue; (5) cost of issuance information; and (6) the type of bonds that are issued. A copy of the bond covenants shall be supplied with this information.

For each state or local government bond issued, the issuer's bond counsel promptly shall provide to the underwriter or to the department of ((community, trade, and economic development)) commerce information on the amount of any fees charged for services rendered with regard to the bond issue.

Each local government that issues any type of bond ((shall)) may make a report annually to the department of ((community, trade, and economic development)) commerce that includes a summary of all the outstanding bonds of the local government as of the first day of January in that year. Such report ((shall)) may distinguish the

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- 1 outstanding bond issues on the basis of the type of bond, as defined in
- 2 RCW 39.44.200, and ((shall)) may report the local government's
- 3 outstanding indebtedness compared to any applicable limitations on
- 4 indebtedness, including RCW 35.42.200, 39.30.010, and 39.36.020.

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- 5 **Sec. 6.** RCW 84.14.100 and 2007 c 430 s 10 are each amended to read 6 as follows:
 - CITIES: MULTIFAMILY PROPERTY TAX EXEMPTION REPORTING. (1) Thirty days after the anniversary of the date of the certificate of tax exemption and each year for the tax exemption period, the owner of the rehabilitated or newly constructed property shall file with a designated authorized representative of the city an annual report indicating the following:
- 13 (a) A statement of occupancy and vacancy of the rehabilitated or 14 newly constructed property during the twelve months ending with the 15 anniversary date;
 - (b) A certification by the owner that the property has not changed use and, if applicable, that the property has been in compliance with the affordable housing requirements as described in RCW 84.14.020 since the date of the certificate approved by the city;
- 20 (c) A description of changes or improvements constructed after 21 issuance of the certificate of tax exemption; and
- 22 (d) Any additional information requested by the city in regards to 23 the units receiving a tax exemption.
 - (2) All cities, which issue certificates of tax exemption for multiunit housing that conform to the requirements of this chapter, ((shall)) may report annually by December 31st of each year, beginning in 2007, to the department of ((community, trade, and economic development)) commerce. The report ((must)) may include the following information:
 - (a) The number of tax exemption certificates granted;
 - (b) The total number and type of units produced or to be produced;
- 32 (c) The number and type of units produced or to be produced meeting 33 affordable housing requirements;
 - (d) The actual development cost of each unit produced;
- 35 (e) The total monthly rent or total sale amount of each unit 36 produced;

(f) The income of each renter household at the time of initial occupancy and the income of each initial purchaser of owner-occupied units at the time of purchase for each of the units receiving a tax exemption and a summary of these figures for the city; and

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- (g) The value of the tax exemption for each project receiving a tax exemption and the total value of tax exemptions granted.
- 7 **Sec. 7.** RCW 84.40.175 and 1994 c 124 s 24 are each amended to read 8 as follows:

9 COUNTIES: VALUATION OF TAX-EXEMPT PUBLIC PROPERTY. At the time of 10 making the assessment of real property, the assessor shall enter each 11 description of property exempt under the provisions of chapter 84.36 12 RCW, and ((value and)) list the same in the manner and subject to the 13 same rule as the assessor is required to assess all other property, 14 designating in each case to whom such property belongs. otherwise provided in law, the assessor is not required to value 15 property exempt under the provisions of RCW 84.36.010. However, with 16 17 respect to publicly owned property exempt from taxation under 18 provisions of RCW 84.36.010, the assessor shall value only such property as is leased to or occupied by a private person under an 19 20 agreement allowing such person to occupy or use such property for a 21 private purpose when a request for such valuation is received from the 22 department of revenue or the lessee of such property for use in 23 determining the taxable rent as provided for in chapter 82.29A RCW: PROVIDED FURTHER, That this section shall not prohibit any assessor 24 25 from valuing any public property leased to or occupied by a private 26 person for private purposes.

- NEW SECTION. Sec. 8. REPEALERS. The following acts or parts of acts are each repealed:
- 29 (1) RCW 36.32.210 (Inventory of county capitalized assets--County commission inventory statement--Filing and public inspection--Penalty-31 Prosecutions--Taxpayer's action) and 2003 c 53 s 204, 1997 c 245 s 3, 1995 c 194 s 5, 1969 ex.s. c 182 s 2, 1963 c 108 s 1, & 1963 c 4 s 36.32.210; and
- 34 (2) RCW 43.19.691 (Municipalities--Energy audits and efficiency) 35 and 2005 c 299 s 5.

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<u>NEW SECTION.</u> **Sec. 9.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

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